

## Surface Mining Reclamation and Enforcement, Interior

## § 735.18

through 735.26 are applicable to cooperative agreement grants.

[42 FR 62706, Dec. 13, 1977; 43 FR 2722, Jan. 19, 1977. Redesignated at 44 FR 15312, Mar. 13, 1979, and amended at 47 FR 38491, Aug. 31, 1982]

### § 735.17 Grant periods.

The Director or his authorized designee shall normally approve a grant for a period of one year or less. Consecutive grants shall be awarded to fund approved programs.

[47 FR 38491, Aug. 31, 1982]

### § 735.18 Grant application procedures.

(a) The agency shall submit its application (three copies) to the Director or his authorized designee at least sixty days prior to the beginning of the intended grant period, or as soon thereafter as possible.

(b) The agency shall use the application forms and procedures specified by OSM in accordance with Office of Management and Budget Circular No. A-102. No pre-application is required. Each application must include the following:

(1) Part I, Application Form Coversheet, SF 424.

(2) Part II, Project Approval Information.

(i) For non-construction grants use Form OSM-50A, Project Approval Information—Section A.

(ii) For construction grants use Form OSM-50A, Project Approval Information—Section A, and Form OSM-50B, Project Approval Information—Section B.

(3) Part III, Budget Information.

(i) For non-construction grants use Form OSM-47, Budget Information Report, with a narrative explanation of computations.

(ii) For construction grants use Form OSM-48, Budget Information—Construction, with a narrative explanation of computations.

(4) Part IV, Program Narrative Statement, Form OSM-51, providing the narrative for the goals to be achieved for both construction and non-construction grants.

(i) Form OSM-51 is supplemented by completion of Column 5A of Forms OSM-51A and OSM-51B which reports the quantitative Program Management

information of the Administration and Enforcement grants.

(ii) Form OSM-51 is supplemented by completion of Column 5A of Form OSM-51C which reports the quantitative Program Management information of the Small Operator Assistance Program Administration and Operational grant.

(5) Part V, The standard assurances for non-construction activities or construction activities as specified in Office of Management and Budget Circular No. A-102, Attachment M.

(c) For program development grant applications, agencies shall include:

(1) An analysis and evaluation of the current State laws and changes required therein to conform to the requirements of the Surface Mining Control and Reclamation Act of 1977, unless previously submitted under part 725;

(2) A description of the changes expected to be required in State regulations, organization, staffing, training and other policies and operations in order to develop a State program which can be approved; and

(3) A program to develop the legislation, regulations, procedures, organization, staffing, training materials, and other program elements necessary to obtain program approval.

(d) For administration and enforcement grants and cooperative agreement grants, agencies shall include:

(1) A description of the specific operations in the approved program which will be implemented during the period for which the grant is requested.

(2) A description and justification of any major equipment (equipment with a unit acquisition cost of \$500 or more and having a life of more than two years) which the agency proposes to acquire with the grant.

(e) The Director or his authorized designee shall notify the agency within thirty days after the receipt of a complete application, or as soon thereafter as possible, whether it is or is not approved. If the application is not approved, the Director or his authorized designee shall set forth in writing the reasons for disapproval and may propose modifications if appropriate. The agency may resubmit the application. The Director or his authorized designee

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shall process the revised application as an original application.

[47 FR 62706, Dec. 13, 1977. Redesignated at 44 FR 15312, Mar. 13, 1979, and amended at 47 FR 38492, Aug. 31, 1982]

### § 735.19 Grant agreement.

(a) If the Director or his authorized designee approves an agency's grant application, the Director or his authorized designee shall prepare a grant agreement which includes—

(1) The approved scope of the program to be covered by the grant;

(2) The approved budget, including the Federal share;

(3) Commencement and completion dates for the segment of the program covered by the grant and for major phases of the program to be completed during the grant period; and

(4) Permissible transfers of funds to other State agencies.

(b) The Director or his authorized designee may permit an agency to assign functions and funds to other State agencies. The Director or his authorized designee shall require the grantee agency to retain responsibility for overall administration of the grant, including use of funds, accomplishment of functions and reporting.

(c) Pre-agreement costs for program development grants shall be allowed only as specified in the grant agreement.

(d) The Director or his authorized designee shall transmit four copies of the grant agreement by certified mail, return receipt requested, to the agency for signature. The agency shall execute the grant agreement and return all copies of it within 3 calendar weeks after receipt, or within an extension of such time that may be granted by the Director or his authorized designee.

(e) The Director or his authorized designee shall sign the grant agreement upon its return from the agency and return one copy to the agency. The grant is effective and constitutes an obligation of Federal funds in the amount and for the purposes stated in the grant agreement at the time the Director or his authorized designee signs the agreement.

(f) Neither the approval of a program nor the award of any grant will commit or obligate the United States to award

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any continuation grant or enter into any grant amendment, including grant increases to cover cost overruns.

### § 735.20 Grant amendments.

(a) A grant amendment is a written alteration in the grant amount, grant terms or conditions, budget or period, or other administrative, technical, or financial agreement whether accomplished on the initiative of the agency or the Director or his authorized designee, or by mutual action of the agency and the Director or his authorized designee.

(b) The agency shall promptly notify the Director or his authorized designee in writing of events or proposed changes which may require a grant amendment, such as—

(1) Rebudgeting;

(2) Changes which may affect the approved scope or objective of a program; or

(3) Changes which may increase or substantially decrease the total cost of a program.

(c) The Director or his authorized designee shall approve or disapprove each proposed amendment within thirty days of receipt, or as soon thereafter as possible, and shall notify the agency in writing of the approval or disapproval of the amendment.

(d) The date the Director or his authorized designee signs the grant amendment establishes the effective date of the action. If no time period is specified in the grant amendment, then the amendment applies to the entire grant period.

[42 FR 62706, Dec. 13, 1977. Redesignated at 44 FR 15312, Mar. 13, 1979, and amended at 47 FR 38492, Aug. 31, 1982]

### § 735.21 Grant reduction and termination.

(a) *Conditions for reduction or termination.* (1) If an agency violates the terms of a grant agreement, the Director or his authorized designee may reduce or terminate the grant.

(2) If an agency fails to implement, enforce or maintain an approved program, or cooperative agreement, the Director or his authorized designee shall terminate the administration and enforcement grant or cooperative agreement grant.